

# The Substitute Teacher's Guide to Obtaining Service Credit

## TRS Plan 3

**A**s a substitute teacher in one of Washington's public school districts, you may qualify to participate in one of the state's retirement plans for teachers. Membership in the Teachers' Retirement System is entirely optional for substitute teachers. Once you qualify for membership, the Teachers' Retirement System affords you the opportunity to begin accumulating credit in the same system as full-time teachers. To help you evaluate this option, you will find a worksheet in this packet that you can use to estimate your cost for service credit for the school year.

If you establish membership in the Teachers' Retirement System Plan 3, your contributions go into a personal Plan 3 investment program that is refundable anytime you leave TRS employment. In addition, your employer(s) contributes to a defined benefit program that pays a lifetime benefit based on your highest average monthly salary over 60 consecutive months. Once you earn 10 years of service credit, this benefit is guaranteed when you reach retirement age – even if you choose to withdraw your personal TRS Plan 3 investments at an earlier date. To learn more about TRS Plan 3, ask your employer for a *TRS Plan 3 Member Handbook*, or visit DRS' Internet site: <http://www.wa.gov/DRS/drs.htm>

### DOES PLAN 3 APPLY TO ME?

This packet is for Teachers' Retirement System (TRS) Plan 3 members, and is also available on the DRS Internet site. **Rules discussed here may not apply to TRS Plan 2 or TRS Plan 1 members.** The date you enter TRS membership determines the plan to which you belong. As a substitute teacher, you become a member on the date you first pay contributions, not on the date you begin work. You belong to **Plan 3** if you first became a member on or after July 1, 1996 or you transferred from Plan 2. If you are already a member of TRS Plan 1 or Plan 2, obtain the appropriate application packet from your employer.

Once a Plan 3 member, you remain a Plan 3 member. Plan 2 members have the option to make an irrevocable transfer to Plan 3. For transfer information contact your employer or call DRS at 1-800-547-6657. From the Olympia area, call (360) 664-7000.

### HOW DO I ESTABLISH MEMBERSHIP IN TRS PLAN 3?

If you have never been a TRS member, you must qualify for eligibility by completing one of the following requirements:

- For service between September 1, 1990 and August 31, 1991, you must have two consecutive months in which you worked a minimum of 90 hours per month.
- For periods of service from September 1, 1991 forward, you must have worked 70 or more hours in at least five separate months during a school year.

You may apply to purchase service credit at the end of the school year.

### WHAT IF I AM A MEMBER OF TRS PLAN 3?

Once you have established membership and paid contributions to TRS Plan 3, you are a member. Then you can apply for service credit for any number of hours you substitute teach in a Washington state public school.

**DRS**  
Department of  
Retirement  
Systems

## HOW DO I EARN SERVICE CREDIT?

Remember, before you can earn service credit you must first establish membership. In Plan 3, the school year is from September 1 through August 31. As a member of Plan 3, **you earn 12 service credit months** for each school year that you:

- work in the month of September;
- work nine months; and
- receive earnable compensation for at least 810 hours of work.

**You will earn six service credit months** for each year that you:

- work in the month of September;
- work nine months; and
- receive earnable compensation for at least 630 hours, but fewer than 810 hours.

**If you meet all of the criteria above except beginning work in September**, you receive the maximum number of months possible from your first month of employment in the school year. For instance, if you begin in October, you will receive 11 service credit months.

If you do not meet the qualifications for either 12 or six months service credit, as stated above, **you earn one service credit month** for each calendar month that you earn compensation for at least 90 hours with one or more employers.

**You receive 1/2 service credit month** for any calendar month that you earn compensation for 70 or more hours, but fewer than 90 hours. You receive 1/4 service credit month for any time less than 70 hours of compensation earned in a calendar month. Only one service credit month may be earned in a calendar month.

## WHEN DO I APPLY FOR SERVICE CREDIT?

As a Plan 3 member, you apply for service credit after the end of the school year.

**Interest Free Deadline:** If you pay for the credit anytime during the period of September through February immediately following the school year in which the service was rendered, you pay only your personal contributions. If payment is made after the last day of February, you will be charged interest on the contributions paid by your employer.

DRS needs the following documents to determine eligibility, and to calculate your service credit and purchase cost:

- A completed "Substitute Teacher's Application for Service Credit,"
- A completed Member Information form, and
- A signed copy of each quarterly report that your employer(s) provided during the instructional year.

**A Beneficiary Designation** form is included in this packet to allow members to name or update the beneficiary of their retirement pension.

Submit your application packet to DRS at the address indicated on the application form.

## HOW DO I RECEIVE MY QUARTERLY REPORTS?

Each quarter, all school districts are required to provide substitute teachers with quarterly reports. Many school districts issue reports on a monthly basis. It is important that you maintain a file of these reports because you must include them with your application for service credit at the end of the school year. Each quarterly report **must include:**

- your name, Social Security number, and your employer's name;
- the number of hours you worked each month, totaled by month;
- the amount of compensation you earned each month, totaled by month; and
- the signature of the payroll officer or person who is authorized to verify the reports.

**If you were employed in more than one school district**, be sure to submit all quarterly reports to DRS at the same time. Upon receipt of your application packet, DRS determines the amount of service credit you are eligible to purchase and bills you for the amount to establish your service credit. After you pay, DRS applies the service credit to your account, deposits your contributions in the investment program you select, and bills your employer for their contributions to the defined benefit program.

## MORE INFORMATION?

If you have questions regarding your service credit, write to DRS at PO Box 48380, Olympia, WA 98504-8380.

### Telephone

You can also call DRS toll-free at (800) 547-6657. From the Olympia, area call (360) 664-7000.

### E-Mail

Contact DRS by e-mail at: *recep@drs.wa.gov*

### DRS Internet site

You'll find this publication, your TRS Handbook, registration for retirement planning seminars, a benefit estimator and more at:

*<http://www.wa.gov/DRS/drs.htm>*

# Teachers' Retirement System (TRS) Plan 3

## Substitute Teacher's Application for Service Credit

**Instructions:** (Please print or type when completing this form.)

- Plan Membership:** **A.** If you are already a member of TRS Plan 3 or a member of Plan 2 who wishes to transfer to Plan 3, complete this form as outlined in steps 2 - 6.  
**B.** If you are a member of TRS Plan 1 or 2, please obtain the correct application from your employer or the DRS Internet site.  
**C.** If you are not a member of TRS Plan 3 and never have been a member of any other Washington State Teachers' Retirement System Plan, you must first establish membership as outlined in the accompanying document, *The Substitute Teacher's Guide to Obtaining Service Credit, TRS Plan 3*. If you do not meet the service credit requirements as stated, you are not eligible to receive service credit. If you have met the service credit requirements to establish membership, complete steps 2 - 6.
- Application Schedule:** Applications are accepted beginning Sept. 1 following the school year in which the service was rendered.
- Billing schedule:** After receipt of this application and certification that it is correct and complete, DRS will bill you for the service credit you have earned.
- Interest-Free Deadline:** You must pay your contributions prior to March 1 (within six months of the end of the school year) or you will be charged interest on the employer contributions.
- What to include in the application:** (1) One completed copy of this form; (2) One completed and signed copy of the Member Information form; (3) Complete the enclosed Beneficiary Designation if you are a new member or wish to update your designated beneficiaries; (4) All quarterly reports that you received from your TRS employers for the school year. Submit no later than January 1 to ensure that you will have adequate time to receive your bill and make payment prior to the Interest-Free Deadline.
- Send all the documents to DRS:** Mail all documents to the address listed in the upper right corner of this form.

### Section A: Applicant Information

Applicant Name (Last, First, Middle)	Social Security Number		Phone No.
Mailing Address	City	State	Zip Code

### Section B: Estimate your billing amount

**Instructions:** Use the figures recorded in your Work Log (Section D on back of this page) to calculate an estimate for your contributions billing. If you need extra space for your Work Log, feel free to make copies of the back of this form.

I worked for \_\_\_\_\_ school districts in the \_\_\_\_\_ - \_\_\_\_\_ school year.  
Number of school districts Years worked, i.e., 2000 - 2001

\$ \_\_\_\_\_ X \_\_\_\_\_ = \$ \_\_\_\_\_  
Total compensation earned for school year Contribution Rate selected on Member Information form. Billing amount (billing received after deadline will reflect added interest)

**Do not submit payment with this application.** This worksheet calculation represents the estimated amount you will owe if you decide to purchase the service credit. DRS will bill you **after** receiving and verifying this application.

### Section C: Applicant Signature and Affidavit

I swear that the information I have provided in this application and the attached Quarterly Reports is an accurate representation of my substitute teaching activities for Washington state public schools during the school year named in Section B. **Note:** Information submitted with this application will be verified by the named school districts following receipt of your payment.

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date Signed

**Next steps:** 1.) Complete the Member Information Form 2.) If you select Self-Directed Investment Option obtain Investment Allocation form from your employer and mail directly to ICMA Retirement Corporation. 3.) If you are a new member or wish to update your designated beneficiaries, complete the enclosed Beneficiary Designation.

**Section D Work Log for School Year --** *Please feel free to make copies if you worked for more than five school districts.*

**1. School District Name** \_\_\_\_\_ **School Year** \_\_\_\_\_ - \_\_\_\_\_

Month	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Salary Earned													\$
Hours Worked													

**2. School District Name** \_\_\_\_\_ **School Year** \_\_\_\_\_ - \_\_\_\_\_

Month	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Salary Earned													\$
Hours Worked													

**3. School District Name** \_\_\_\_\_ **School Year** \_\_\_\_\_ - \_\_\_\_\_

Month	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Salary Earned													\$
Hours Worked													

**4. School District Name** \_\_\_\_\_ **School Year** \_\_\_\_\_ - \_\_\_\_\_

Month	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Salary Earned													\$
Hours Worked													

**5. School District Name** \_\_\_\_\_ **School Year** \_\_\_\_\_ - \_\_\_\_\_

Month	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Salary Earned													\$
Hours Worked													

**TOTALS**

Hours Worked by Month													\$
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total Compensation



**Note to Retirees:** This form **cannot** be used to designate a new beneficiary to receive a monthly survivor option (retirement benefit payment options 2, 3 and 4). Beneficiary(s) who receive survivor options are named on the retirement application form and cannot be changed.

**Instructions:** Use this form to designate or change your beneficiary(s) with the retirement system you indicated in Section One. The designated beneficiary(s) will receive any monies in your account at the time of your death. If you have money in more than one retirement system, you must complete a separate form for each system.

Your designated primary and contingent beneficiary or beneficiaries may be a person, persons, your estate, a trust, or an organization. Primary beneficiaries will receive any monies in your account when you die. If no primary beneficiary is alive at the time of your death, the contingent beneficiary(s) will receive the money in your account.

To make your designation:

1. Complete Section One.
2. In Section Two, type or print in ink the requested information and check the appropriate box to indicate whether you wish to make that person or entity a primary or contingent beneficiary.

When naming a person, always show given names. For example:  
MARY K. DOE (not Mrs. Robert Doe)

You may designate more than one primary beneficiary. If you do, the funds will be divided equally among all named primary beneficiaries.

After naming your primary beneficiary(s), you may name one or more contingent beneficiaries. If the primary beneficiaries are no longer living, the funds will be divided equally among all contingent beneficiaries.

3. Complete and sign Section Three.
4. To protect members from fraudulent claims, it is required that another person witness the member's signature on this document and complete and sign Section Four.
5. The form must be returned to DRS, PO Box 48380, Olympia WA 98504-8380.

**Important:** Your beneficiary designation may be invalidated by subsequent marriage, divorce or reestablishment of membership following termination by withdrawal or retirement. Make a copy of your beneficiary designation and review it periodically to ensure that it is still valid.

This form requests that you provide your Social Security number. DRS is authorized to solicit your Social Security number under 26 United States Code, Sections 6047(D), 6041(A), and 6109(A)(3).

- DRS uses your Social Security number to ensure that any amounts disbursed under your account are properly reported to the Internal Revenue Service and as a reference number for tracking all data with regard to your retirement account.
- Routinely, DRS uses the Social Security number as the identifying number for the member file.
- If you do not provide your Social Security number, DRS cannot guarantee that the information you are providing on this form will be properly matched with your member records. This is a particular risk if your name is a fairly common one. Failure to provide your Social Security number may also result in misreporting to the Internal Revenue Service of any disbursements you receive, which may result in adverse tax consequences for you.
- Because DRS uses your Social Security number in order to report disbursements to the IRS as required under federal law, the disclosure of your Social Security number is mandatory.

State of Washington  
Department of Retirement Systems  
**TRS Plan 3 Member Information**


**Substitute Teachers**

Department of Retirement Systems  
PO Box 48380  
Olympia, WA 98504-8380  
Telephone: (800) 547-6657  
Olympia (360) 664-7000

**INSTRUCTIONS:** To ensure timely processing of your application for Substitute Teaching Service Credit, complete this form as instructed below.

- All applicants complete Sections 1, 2, and 3.
- If you are transferring from TRS Plan 2 to Plan 3, complete Section 4.
- Please print clearly and use a ball point pen.

**Section 1: Personal Data**

Name (Last, Middle, First)		Gender M <input type="checkbox"/> F <input type="checkbox"/>	Social Security Number	
Address		City	State	Zip Code
Date of Birth (Mo/Day/Yr)	Phone Number (      )			

**Section 2: Selection of Contribution Rate**

The Contribution Rate Option that you choose will determine the billing amount for the school year(s) for which you are currently applying. Place a check mark in the box next to the contribution rate option you choose. Use the rate you select to estimate your billing amount in Section B of the Substitute Teacher's Application for Service Credit.

- ☐ **OPTION A:** 5 percent of pay at all ages
- ☐ **OPTION B:** 5 percent of pay until age 35; 6 percent from age 35 until 45; 7.5 percent age 45 and above
- ☐ **OPTION C:** 6 percent of pay until age 35; 7.5 percent from age 35 until 45; and 8.5 percent age 45 and above
- ☐ **OPTION D:** 7 percent of pay at all ages
- ☐ **OPTION E:** 10 percent of pay at all ages
- ☐ **OPTION F:** 15 percent of pay at all ages

\_\_\_\_\_  
SIGNATURE OF EMPLOYEE

\_\_\_\_\_  
DATE

**Section 3: Selection of Investment Program**

You can obtain information about both investment programs by contacting ICMA Retirement Corporation (RC) toll-free at 1-888-711-8773. If you select the Self-Directed Investment Program, you must direct the allocation of your contributions among the fund choices by completing a *TRS Plan 3 Self-Directed Investment Allocation and Balance Transfer* form (available from your employer or by calling ICMA RC).

Place a check mark in the box next to the investment program you choose.

- ☐ Direct my contributions to the **Washington State Investment Board (WSIB) Investment Program**.
- ☐ Direct my contributions to the **Self-Directed Investment Program**. Call 1-888-711-8773 or complete the *TRS Plan 3 Self-Directed Investment Allocation and Balance Transfer* form to record your investment allocation choices.

\_\_\_\_\_  
SIGNATURE OF EMPLOYEE

\_\_\_\_\_  
DATE (Month/Day/Year)

**Section 4: Request for Transfer to TRS Plan 3**

I understand that my transfer to Plan 3 is irrevocable. I request that I be transferred from Plan 2 to Plan 3.

Please sign and date this form on the day you submit it to the Department of Retirement Systems.

\_\_\_\_\_  
SIGNATURE OF EMPLOYEE

\_\_\_\_\_  
DATE (Month/Day/Year)

This form requests that you provide your Social Security number. DRS is authorized to solicit your Social Security number under 26 United States Code, Sections 6047(D), 6041(A), and 6109(A)(3).

- DRS uses your Social Security number to ensure that any amounts disbursed under your account are properly reported to the Internal Revenue Service and as a reference number for tracking all data with regard to your retirement account.
- Routinely, DRS uses the Social Security number as the identifying number for the member file.
- If you do not provide your Social Security number, DRS cannot guarantee that the information you are providing on this form will be properly matched with your member records. This is a particular risk if your name is a fairly common one. Failure to provide your Social Security number may also result in misreporting to the Internal Revenue Service of any disbursements you receive, which may result in adverse tax consequences for you.
- Because DRS uses your Social Security number in order to report disbursements to the IRS as required under federal law, the disclosure of your Social Security number is mandatory.